

**Exhibit B**

**Press Release**

# FTX Debtors Announce Settlement of Customer Property Disputes



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*Agreement with Key Stakeholders Paves Way to File Amended Chapter 11 Plan in December 2023*

*Customers Expected to Receive Over 90% of Distributable Value Worldwide if Amended Plan is Approved*

*Amended Plan to Include an Offer to Settle FTX.com and FTX US Preferences at Specified Amounts*

WILMINGTON, Del., Oct. 16, 2023 /PRNewswire/ -- FTX Trading Ltd. (d.b.a. FTX.com), and its affiliated debtors (together, the "FTX Debtors"), today announced a proposed settlement of customer property disputes in their pending chapter 11 cases (the "Customer Shortfall Settlement"). The Customer Shortfall Settlement will be proposed as part of an amended Plan of Reorganization (the "Amended Plan"), to be filed by the FTX Debtors by December 16, 2023. If approved by the Bankruptcy Court, the Customer Shortfall Settlement would resolve the customer property litigation filed against the FTX Debtors and facilitate confirmation of the Amended Plan in the second quarter of 2024.

The customer property litigation asserted that customers of FTX.com and FTX US had property interests in certain assets, rather than an unsecured claim ranking equally with general creditors. The Customer Shortfall Settlement resolves the dispute by providing customers a claim against the FTX Debtors that, although unsecured, has an equitable priority to certain property segregated at or taken from the exchanges.

The Customer Shortfall Settlement was struck after months of extensive, arm's-length negotiations among the FTX Debtors, the Executive Committee of the Ad Hoc Committee of Non-U.S. Customers (representing customers holding approximately \$1 billion in FTX.com customer claims), the Official Committee of Unsecured Creditors, and putative class representatives. All of these parties have entered into a Settlement and Plan Support Agreement (the "Support Agreement"), which has been posted on the docket of the Bankruptcy Court for informational purposes.

"The proposed settlement of the customer property issues is another major milestone in our case," said John. J. Ray III, Chief Executive Officer and Chief Restructuring Officer of the FTX Debtors. "Together, starting in the most challenging financial disaster I have seen, the debtors and their creditors have created enormous value from a situation that easily could have been a near-total loss for customers. I would especially like to recognize the important role of the independent Board of Directors who quickly responded to the call to duty at a time of crisis. They bring wisdom and guidance, often in the face of adversity, that has been and continues to be instrumental throughout the difficult process of bringing order and resolution to these cases."

Details regarding the Amended Plan, customer recoveries and the proposed preference settlement are provided below.

### **The Amended Plan of Reorganization and Customer Recoveries Update**

The Amended Plan is substantially similar to the Draft Plan filed by the FTX Debtors for discussion purposes on July 1, 2023. Pursuant to the Amended Plan:



1. The FTX Debtors would divide substantially all of their assets into three pools based on circumstances at the start of the chapter 11 cases: assets segregated for the benefit of FTX.com customers; assets segregated for the benefit of FTX US customers; and a "General Pool" of other assets;
2. In addition to a claim against assets at their respective exchange, customers of FTX.com and FTX US would benefit from a "Shortfall Claim" against the General Pool corresponding to the estimated value of assets missing at their exchange;
3. The Shortfall Claim is estimated to be approximately \$8.9 billion for FTX.com and \$166 million for FTX US; and
4. As a way to balance the customer groups' assertion of a property right arising from the misappropriation of exchange property and the difficulties of asset tracing in FTX's circumstances, a negotiated portion of the Shortfall Claim would be deemed to benefit from an equitable priority against the General Pool, such that 66% of the General Pool would be applied exclusively to pay Shortfall Claims (and 34% of the General Pool would be applied to pay remaining Shortfall Claims and other claims ratably).

Taking into account both the priority and the non-priority portions of the Shortfall Claim, the FTX Debtors estimate that customers of FTX.com and FTX US would receive, collectively, over 90% of distributable value worldwide if the Amended Plan (incorporating the Customer Shortfall Settlement) is approved by the Bankruptcy Court by the end of the second quarter of 2024.

The FTX Debtors currently anticipate that customers of both exchanges will not be paid in full, with greater percentage losses by customers of FTX.com. The FTX Debtors also anticipate that non-customers with claims against the General Pool will incur greater percentage losses than customers of either exchange, although the extent of these differences cannot be predicted with certainty at this time.

Future recoveries for customers and non-customers will depend on many variables, including the resolution of tax and governmental claims, the FTX team's on-going asset recovery efforts, the results of avoidance action and other litigation, the claims allowance process, the extent to which compliance with Know-Your-Customer procedures reduces the number of filed or accepted claims, fluctuations in the price of digital assets,

fluctuations in effective interest rates and staking yields, the price at which illiquid fund, equity, and token investments can be sold, the value of any consideration paid in connection with any successor offshore exchange, the timing of confirmation and effectiveness of the chapter 11 plan, the nature of any arrangements with respect to FTX Digital Markets and the FTX real estate in The Bahamas, the application of the proceeds of assets seized by the Department of Justice and other government agencies, and many other unresolved matters and pending initiatives.

### *The Proposed Preference Settlement Offer*

The Customer Shortfall Settlement also contemplates an opportunity for eligible customers to resolve the current uncertainty about any preference exposure applicable to their claims.

Under the terms of the agreement, the FTX Debtors have agreed to offer each eligible customers approving the Amended Plan the opportunity to resolve exchange preference liability by reducing their claim (or paying cash) in an amount specified on the Amended Plan ballot (the "Preference Settlement Amount"). The Preference Settlement Amount for each eligible customers would be equal to 15% of the amount by which the customer's withdrawals during the nine days prior to the chapter 11 cases exceeded the customer's deposits during the same period, as more fully explained in the term sheet attached to the Support Agreement.

The FTX Debtors may exclude from the settlement any insiders, affiliates, customers against whom the FTX Debtors have other claims, customers who may have had knowledge of the commingling and misuse of customer deposits and corporate funds, customers who changed their KYC information to facilitate withdrawals or received manual permission from the Debtors to facilitate withdrawals when withdrawals were otherwise halted, and customers for whom the FTX Debtors determine the settlement may not reflect the fair value of the FTX Debtors' claims. Eligible customers that have a preference settlement amount of less than \$250,000 during the nine-day period would be able to accept the settlement without any reduction of claim or payment.



Customers are referred to the term sheet attached to the Support Agreement for more details. The preference settlement offer has not been approved by the Bankruptcy Court and is subject to change by the FTX Debtors at any time prior to approval.

### Additional Information

U.S. Bankruptcy Court filings and other documents related to the court proceedings, including copies of the Customer Shortfall Settlement and accompanying Support Agreement, are available at <https://cases.ra.kroll.com/FTX/>.

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